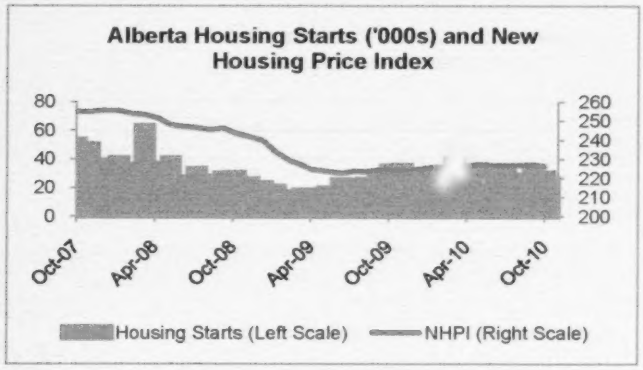
Housing Starts

Housing starts down in November…

New housing starts in Alberta decreased by 16.6% in November to 21,100 units, the lowest level since September 2009 (seasonally adjusted at annual rates). Housing starts have averaged 27,300 for the first eleven months, 41.1% higher than the same period last year. Compared to last November, new housing starts in Alberta are down by almost 30%. The softening expected in the latter part of 2010 has now materialized.

For Canada, annualized monthly housing starts in November were 187,200 units, up from 167,800 units in October (+11.6%). This increase was primarily due to a strong increase in urban multiple starts in Ontario (+75.5%), which wase large enough to offset the declines in some other regions such as BC (-19.6%) and Quebec (-12.3%).



New Housing Price Index

New housing prices down in October…

The New Housing Price Index (NHPI) for Alberta fell -0.4% in October after a 0.2% increase in September. The monthly decrease of the NHPI in Alberta was due to a 0.6% decline in prices in Calgary as a few builders offered discounts in order to spur sales in October. Prices in Edmonton were flat. New house prices were 1.0% higher in Alberta compared to October, 2009. Nationally, new house prices were up 0.1% on a monthly basis in October following a 0.2% advance in September.

Buiding Permits

Value of permits declined in October…

The value of building permits issued in October in Alberta declined by 2.1% (seasonally adjusted) from a month earlier to just over $835 million, the lowest level since March 2009. This level was 42.9% lower than a year ago, which marks the biggest decline on a year-over-year basis since the beginning of 2009. The monthly decline was due to decreases in the value of both residential (-1.9%) and non-residential building permits (-2.3%) from September. Nationally, the value of building permits was down 6.5% from September to $6.2 billion.

Canadian Dollar (US¢/C$)	
December 10, 2010	98.60
December 3, 2010	99.40
2010-11 YTD	97.31
WTI Oil US$/bbl	
December 10, 2010	$ 88.37
December 3, 2010	$ 89.19
2010-11 YTD	$ 78.59
Nymex Natural Gas C$/MMBtu *	
Near-month Contract	
December 10, 2010	$4.44
December 3, 2010	$4.51

*Estimate based on Nymex Futures Market Price

International Merchandise Trade

Canada's trade deficit narrows in October…

Canada's merchandise trade deficit fell from $2.3 billion in September to $1.7 billion in October. Exports rose by 3.1% in October mainly due to shipments of industrial goods and metals. Exports of precious metals and copper ores were at record levels, with automotive and agricultural products also up, while exports of machinery and equipment and energy products were down. The value of imports was up 1.2% in October, with import volumes up 1.7% and prices down 0.5%. Imports of energy and automotive products led this growth.

Monetary Policy

BoC left the overnight rate unchanged at 1.0%…

The Bank of Canada (BoC) maintained its overnight rate at 1.0% for a second consecutive meeting. The BoC noted that although the global economic recovery is proceeding as expected, the risks have increased. Increased risks include weak private domestic demand in the United States and sovereign debt concerns in some European countries. The recovery in Canada is proceeding at a moderate pace although the real GDP growth rate appears to be slowing through the second half of 2010. The strong Canadian dollar and poor productivity may strain Canada's trade performance and the economic recovery. Thus, monetary policy in Canada is expected to remain accommodative until the middle of 2011.

Current Economic Indicators

	2008	2009	2010Ytd	Jun	Jul	Aug	Sep	Oct	Nov
Population									
Population [1] (000's) (level)	3,591	3,671	3,721	--	3,721	--	--	--	--
% change	2.2	2.2	1.4	--	1.4	--	--	--	--
Net Interprovincial Migraton [1] (level)	15,317	13,184	-2,183	--	2,820	--	--	--	--
Net International Migration [1] (level)	15,641	16,835	21,533	--	8,035	--	--	--	--
Net Non-permanent Residents [1] (level)	18,611	19,162	-77	--	-753	--	--	--	--
Labour Market									
Employment (000's)	2,013	1,988	1,996	2,000	2,009	2,004	2,004	2,021	2,019
% change	2.8	-1.3	0.4	0.6	1.1	1.1	0.8	2.5	1.7
Unemployment Rate (%)	3.6	6.6	6.6	6.7	6.3	6.5	6.2	6.0	5.6
Participation Rate (%)	74.7	74.3	73.1	73.3	73.1	73.0	72.7	73.1	72.6
Average Weekly Earnings ($)	923.21	950.13	988.70	994.21	985.81	999.86	997.40	--	--
% change	6.0	2.9	4.2	4.2	4.7	7.0	4.7	--	--
Price Indices									
Consumer Price Index	3.2	-0.1	1.1	0.6	1.5	0.6	0.9	1.2	--
Excluding food and energy	2.1	1.4	0.8	0.7	0.8	0.5	0.2	0.5	--
Non-Res. Cons. Cost Index [2] (quarterly)	13.2	-9.8	-0.9	--	1.8	--	--	--	--
Farm Product Price Index	12.9	-10.6	-10.8	-9.4	-7.0	-6.4	--	--	--
Crops	30.1	-18.9	-23.7	-25.3	-24.1	-24.1	--	--	--
Livestock	1.9	-2.8	-0.1	3.8	7.2	8.1	--	--	--
Household Sector									
Housing Starts (SAAR, 000's) NEW!	29.2	20.0	27.3	26.8	29.3	23.5	27.2	25.3	21.1
% change	-39.6	-31.6	41.1	32.0	51.0	13.5	10.6	-15.4	-29.9
New Housing Price Index	0.7	-9.0	0.4	1.9	1.5	1.5	1.4	1.0	--
Edmonton NEW!	1.0	-11.2	-1.1	0.6	0.2	0.5	0.7	1.0	--
Calgary	0.6	-6.7	1.9	3.2	2.7	2.4	2.1	1.1	--
MLS Average Resale Prices ($ 000's)	351.4	340.5	352.4	345.4	352.2	347.2	360.4	352.9	--
% change	-1.5	-3.1	4.1	4.0	3.1	-0.5	0.4	-2	--
Edmonton	330.8	319.1	326.6	303.9	323.2	325.7	333.8	337.5	--
% change	-2.0	-3.5	3.0	2.1	1.5	2.6	-0.7	-0.6	--
Calgary	401.1	384.3	400.1	403.8	402.7	392.1	413.6	396.2	--
% change	-2.9	-4.2	4.5	5.8	5.5	-0.8	1.6	-1.5	--
Retail Sales [3]	0.2	-8.3	5.0	3.8	4.5	5.1	6.6	--	--
New Motor Vehicle Sales	-7.3	-21.7	10.6	13.2	10.2	14.7	13.8	--	--
Consumer Bankruptcies	6,066	9,986	6,264	778	626	615	732	--	--
% change	27.2	64.6	-21.5	-23.8	-28.2	-30.3	-37.1	--	--
Business Sector									
Rigs Drilling	236	128	201	118	199	222	177	260	276
% change	-2.1	-45.6	68.7	99.0	135.2	130.3	59.3	101.4	81.5
Goods Exports (customs based)	35.0	-36.3	14.3	12.6	6.2	11.2	7.5	--	--
Energy	43.2	-40.1	21.5	16.9	5.3	12.2	6.1	--	--
Agriculture	31.8	-10.2	-12.5	-9.0	-3.3	-8.4	1.1	--	--
Total Farm Cash Receipts (quarterly)	17.3	-7.5	-7.1	--	-15.6	--	--	2.6	--
Manufacturing Shipments	6.9	-23.7	9.7	11.0	15.1	16.8	17.5	--	--
Wholesale Trade [4]	9.5	-15.9	7.3	8.4	12.5	20.8	21.0	--	--
Building Permits	-16.5	-14.2	16.2	32.5	10.1	3.5	-10.7	--	--
Residential	-31.5	-11.8	42.9	53.0	19.4	-12.1	-19.6	--	--
Non-residential	3.7	-16.3	-9.3	14.4	-3.0	39.2	7.2	--	--
Business Bankruptcies	447	405	291	23	27	30	34	--	--
% change	-0.4	-9.4	-5.5	-30.3	-22.9	-9.1	-2.9	--	--

Government of Alberta
Finance and Enterprise

Alberta

* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

[2] Average of Calgary and Edmonton

[3] The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

[4] The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

Current Economic Indicators by Province